

**PUBLIC TRANSPORTATION & COMMUTER VANPOOL
PASSENGER SUBSIDY COMPONENT
REMOVE II PROGRAM
GUIDELINES, POLICIES, AND PROCEDURES**

**SECTION I
INTRODUCTION**

The San Joaquin Valley Air Pollution Control District (SJVAPCD) is seeking applications for the provision of passenger subsidies. These incentives will serve to attract new passengers to public (mass) transportation and commuter vanpools, according to the terms and conditions described in these guidelines. In addition, the development of parking facilities that function to incorporate access or connect commuters to alternative transportation measures is available under this component.

The purpose of the Public Transportation and Commuter Vanpool Passenger Subsidy Component is to encourage commuter rideshare practices among frequent long distance (greater than 10 miles) San Joaquin Valley commuters. The replacement of single occupant vehicle (SOV) commutes in the region by increasing passenger ridership for public or mass transportation will assist the SJVAPCD in the attainment of federal and state air quality standards. The widespread employment of commuter rideshare measures will improve our air quality.

The SJVAPCD is providing commuter passenger subsidies to municipalities, government agencies, private companies and public education for the following:

- **City, County and Regional Transit Bus Agencies**
- **Shuttle Services**
- **Commuter Vanpools**
- **Regional Commuter Rail Services**
- **Park-and-Ride Lot Construction/Expansion**

Funds are available for eligible projects that meet specific program criteria on a first-come, first-serve basis until the program funds are exhausted. These guidelines describe the policies and procedures of the Public Transportation and Commuter Vanpool Passenger Subsidy Component of the REMOVE I Program. For additional copies of Guidelines, Policies, And Procedures or Applications only, please call:

(559) 230-5858

For further information please contact:

**San Joaquin Valley Air Pollution Control District
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
(559) 230-5800**

www.valleyair.org

SECTION II BACKGROUND

The SJVAPCD is comprised of eight counties: San Joaquin, Stanislaus, Merced, Madera, Fresno, Kings, Tulare, and the San Joaquin Valley portion of Kern. The SJVAPCD does not meet the health based National Ambient Air Quality Standards (NAAQS) for ozone and particulate matter ten (10) microns or less in diameter (PM10), and is required to implement strategies that will result in emissions reductions. Reactive organic gases (ROG) and nitrogen oxides (NOx) are precursors that react in sunlight to form ozone. NOx is also important in the formation of secondary PM10. Internal combustion engines are a significant source category that provides an opportunity to pursue substantial emission reductions.

SECTION III ELIGIBLE PARTICIPANTS

Any municipality, government agency, private company or public educational institution may apply to receive passenger subsidies under this program.

The criteria for **eligible participants** are as follows:

- Passenger subsidy projects must function to reduce or replace Single Occupant Vehicle (SOV) commutes for rideshare practices by long distance San Joaquin Valley commuters.
- Projects must result in the reduction of vehicle emissions and Vehicle Miles Traveled (VMT) by the conversion of SOV commuters to utilize rideshare or alternative transportation methods. Therefore, passenger subsidies must be directed to new riders of the system.
- The program will fund a portion of the monthly passenger fares, fees, tickets, passes or coupons to new participants of the system. Funding determination will be based on the cost effectiveness of the project application utilizing ARB calculation methodologies.
- Project applications must direct subsidies to new passengers who previously drove alone to work, school, etc. Additional emissions reduction cannot be achieved by subsidizing fares for current vanpool, shuttle, transit or rail passengers. Therefore, commuters requesting passenger subsidies must verify they previously drove in their daily travel and are new riders to the system. For the purpose of this program, the SJVAPCD defines new rider-ship as passengers who have not traveled on a regular basis using transit, rail, shuttle, or vanpool for a period of six (6) months from the time of application submission to the program.
- SJVAPCD funds may not be utilized for administrative or operational costs. The program will not allow funds to be used to reimburse an applicant for the cost of preparing/submitting an application or for the administration of a project including management, marketing or operations for the transportation agency or service provider.

- Projects should enhance commuter access to various multi-modal transportation options and applicants are encouraged to include a connecting or linkage component to other alternative transportation sources.
 - Due to the expense of vanpool and shuttle operations, they typically benefit commuters traveling greater than thirty (30) miles of distance one-way. Therefore, the more passengers traveling in the vanpool or shuttle and the greater the distance traveled within the boundaries of the SJVAPCD, the more feasible the project application will likely result.
 - Vanpool and shuttle applications must be submitted through a SJVAPCD approved agency or organization to administer the vanpool passenger subsidy. Examples include a county rideshare organization, an organized rideshare provider or an employer.
 - Projects for Park-and-Ride lots may seek funding for facility construction or expansion exclusively for land preparations: grading, leveling, paving, striping, etc. Funding will not be available for land acquisition, permits, engineering or design costs. In addition, the program will not fund facility lighting, security monitors, landscape features or other amenities.
 - Park-and-Ride Lots must serve to connect San Joaquin Valley commuters to other sources of alternative transportation methods. Linkage to vanpools, transit bus and other rideshare measures augments the project feasibility.
-

**SECTION IV
PROGRAM
REQUIREMENTS**

In addition to the above criteria, the following elements are set forth as program requirements:

- The commuter rideshare participants who receive passenger subsidies shall be new riders of the system and shall reside within the geographic area of the SJVAPCD (See map in Section VIII). In addition, the commuter rideshare travel must originate within the boundaries of the SJVAPCD.
- Simple quarterly progress reports will be required for one (1) year from the beginning of the contract execution for project implementation. The reports shall include monthly records of Vehicle Miles Traveled (VMT), number of vehicle trips reduced, and number of new passengers (recruitment).
- Program funds should not be used for projects that would of proceeded without SJVAPCD assistance. Projects with large cost savings to the system operator would not be eligible, since they should be considered an investment by the agency or organization. Projects where all the cost savings accrue to the public users of the system would be eligible.

- Applicants must not use the possible elimination of an existing project or program to justify their proposal, or in the determination of emission reductions. If a project or program was, or is currently in existence, then no additional emission reductions will be granted.
- Additional funding sources are not a requirement for participation in the Passenger Subsidy Program. Other co-funding is encouraged, and may be useful to cover ineligible portions of the project cost, but is not a requirement. State of California incentives and state and federal tax credits may be available.
- Funds will be awarded on a first-come, first-serve basis to all applications that meet the criteria and requirements, while program funds are available. In the event that proposals are submitted on the same day, proposals will be funded in the order of the best overall cost-effectiveness until funds are exhausted.
- The incentive amount determination for passenger subsidy projects will be based on the project cost effectiveness utilizing ARB calculation methodology for emissions reduction as follows:

PROJECT CATEGORIES	MAXIMUM INCENTIVES
Transit Bus Agency	Up to \$30,000 per agency
Commuter Vanpool	Up to \$4,200 per vanpool (\$350/month)
Shuttle Services	Up to \$6,000 per shuttle (\$500/month)
Commuter Rail Services	Up to \$30,000 per agency
Park-and-Ride Lot	Up to \$150,000 per agency

- Individual applications will be restricted to one project category. Therefore, applicants shall not incorporate more than one project category for a combined grant application. However, separate applications may be submitted for additional project categories of interest.
- Applicants must provide verification of all funding sources that have been solicited to fund a project or program. Established SJVAPCD Governing Board guidelines require that applicants shall not use SJVAPCD program funds to supplant other existing potential funding sources.
- Authorized projects for passenger subsidies have a one (1) year funding term for utilizing program incentives and disbursements for the passenger subsidies will be processed by quarterly periods. Participants of this program will commit to a twelve (12) month contract period and incentives may only apply to this term. Passengers

who receive program subsidies for one (1) year will not be eligible for future subsidies for a period of two (2) years.

- Transit services may qualify for a maximum of \$30,000 in program funds for new daily ridership or monthly bus fares.
- To ensure adequate cost effectiveness and project feasibility for the vanpool projects, this program requires a minimum of eight (8) passengers to be maintained in the vanpool throughout the course of the contract period to receive passenger subsidies.
- The program serves to assist the establishment of new vanpool operations. Therefore, new vanpools may qualify for a maximum funding of \$4,200.00 and will have a monthly funding cap of \$350 per month. As a result, it is highly recommended to maximize the ridership of the vanpool to achieve greater project cost effectiveness and to minimize the individual cost share for commuters of the vanpool.
- Shuttle services may qualify to provide subsidies up to a maximum of \$6,000 in annual funds per shuttle operation. Shuttles will be assessed similar to vanpool operations and will have a monthly funding cap of \$500 per month. The minimum passenger requirement for shuttle operations is 20 people and must be sustained throughout the course of the project term.
- Vanpool and shuttle applicants must disclose other sources of subsidies or incentives (grants or tax credits) utilized by the operation (federal, state, county, employer, etc.). Use of other funding sources for passenger subsidies does not necessarily exclude an applicant's participation, however, the SJVAPCD incentive in combination with other incentives must not exceed the total operational cost (leasing, insurance, maintenance and fuel) of the vanpool or shuttle services. The SJVAPCD reserves the right to deny or adjust subsidies to prevent funding in excess of the operational cost.
- Commuter Rail service providers may qualify for a maximum funding amount of \$30,000 per agency for new rider-ship to the system.
- Park-and-Ride Lots may qualify for up to \$150,000 in program funds for the construction or expansion of parking facilities. This program requires a minimum accommodation for fifty (50) vehicle parking spaces for parking facility projects. Applicants will be required to justify the project significance for the site's accessibility to multi-modal transportation sources and the facility's proximity to major commuter transportation networks. Transportation/government records, maps, surveys or documentation from alternative transportation providers to support the location's importance for commuter linkage and access to services should be submitted with applications to the SJVAPCD.

- The passenger subsidy or parking facility project must be completed within the one (1) year term set forth from the contract execution. No extensions will be granted beyond this period. Simple quarterly progress reports will be required for processing of the quarterly funding disbursement for all passenger subsidy projects.

Applicant agrees that any emission reductions associated with this program will be claimed and retired by the SJVAPCD in the interest of air quality improvement for the residents of the San Joaquin Valley. Applicant waives, for all time, the right to claim emission reduction credits which may accrue at any time as a result of this program, and agrees not to apply to the SJVAPCD or any other agency for such credits.

Criteria and requirements may be reviewed, as new information becomes available, and can be revised at the discretion of the Executive Director/Air Pollution Control Officer as needed. .

**SECTION V
APPLICATION/
PROGRAM
PROCESS**

The application and program participation process is as follows:

1. For operators of commuter transportation services, program applications must direct passenger subsidies to new participants who previously drove alone in their daily commuter travel activities. For Park-and-Ride Lot development projects, program applications must direct facility construction to connect commuters to multi-modal transportation sources as an alternative to single occupant vehicle commutes.
2. Review the list of program components and select the component(s) applicable to your organization. You may contact the SJVAPCD to ensure a selected Passenger Subsidy or Park-and-Ride Lot project is eligible for participation in the program.
3. Complete the SJVAPCD application forms to obtain authorization to receive an incentive. Provide all the required information and documentation for the program. It is critical for all the project information and documentation to be submitted for evaluation to expedite the assessment for program qualification and funding determination.
4. The SJVAPCD will set aside funding for your incentive provided the project meets all eligibility criteria set forth in this document. Current passengers of the alternative transportation services will not be eligible for incentive funding. Additional emissions reductions cannot be claimed for current users of the system.
5. Sign a simple contract with the SJVAPCD agreeing to operate the Passenger Subsidy Program in the San Joaquin Valley, to have appropriate insurance coverage, to provide quarterly reports on passenger usage, and other standard provisions for a period of one (1) year.

6. Submit a copy of the monthly passenger ridership records in the quarterly reports, SJVAPCD Claim for Payment form, evidence of insurance coverage, and other required information to the SJVAPCD.
7. SJVAPCD reviews information and processes payment on a quarterly basis.
8. The SJVAPCD quarterly report form will include the following: new passenger ridership information, number of total passenger participants per month and their contact information, average VMT, updated insurance records and other applicable project information to assist the SJVAPCD for program assessment.

Timeframe Goals:

The SJVAPCD will make every effort to process applications quickly. If numerous applications are received, it may not be possible to meet the processing goals listed below.

1. The application is reviewed by SJVAPCD staff for completeness within thirty (30) working days of receipt of the application. If the application is incomplete, it will be returned to the applicant with a description of areas in which the application is inadequate. Any revised application that is not returned by the applicant with the requested information within fourteen (14) calendar days is rendered null and void, and resubmittal is required.
2. An evaluation period of approximately thirty (30) working days will follow for staff to assess the emission reductions, cost effectiveness, and validate the project proposal and application meets all the criteria established for the program component. In addition, pre-inspection and post-inspection of the proposed project site for Park-and-Ride Lots may be required.
3. Upon approval of the application, the SJVAPCD will prepare a standard contract for signature by the applicant and the SJVAPCD. The contract process may take as long as eight (8) weeks to complete.
4. The SJVAPCD will issue quarterly payments after receipt of the quarterly reports and the properly supported Claims For Payment form after contract execution.
5. The quarterly reports shall contain the number of miles traveled, number of trips and new passenger recruitment information (replaced single occupant vehicle drivers). The SJVAPCD maintains the right to monitor the project periodically to ensure that passenger subsidies are directly employed to increase new passengers to the alternative transportation services. Park-and-Ride Lots will be monitored to verify the facility is serving to link commuters to multi-modal transportation sources and to ensure parking of personal vehicles is maximized.

**SECTION VI
INFORMATION
NEEDED FOR
APPLICATION**

The applicant must provide information about the specific alternative transportation services. Additional information may be requested during the review process.

Applicant Information

- Organization name, address, contact name, person with contract signing authority, phone, fax and email.
- The geographic area where the passenger subsidies will be operated. The commuter transportation services and the reduction of VMT by program participants must occur within the boundaries of the SJVAPCD. Only the VMT (length of auto trips eliminated) within the geographic parameters of the SJVAPCD will be used to calculate the project cost effectiveness and determine qualification for the corresponding incentive amount.

Alternative Transportation Services Information

- The number and types of transportation vehicles currently in the fleet operations.
- The different transportation services your agency or organization provides to the general public and accommodations for frequent long distance commuters.
- The average number of monthly passengers currently utilizing the transportation services.
- Based on recent passenger records and local commuter interest, estimate the number of potential new monthly riders to the transportation service as a result of passenger subsidies.
- Provide the standard service route information, the locations for stops and the scheduled times for service operations.
- List the major employment and educational centers in the area of services for which potential commuters may be recruited as new passengers to the rideshare operations.
- Estimated number of VMT by the new passengers utilizing the alternative transportation system.
- Verification the program participants are new passengers to the transportation service and previously drove alone in their daily commutes will be required. Operators shall require a signature by commuters as verification of new ridership and passenger subsidy recipients must state their previous method of transportation.

Parking Facility and Commuter Linkage Information

- Describe the location for the proposed Park-and-Ride Lot facility. Discuss the access to major routes for commuter activity and proximity to highway transportation networks.
- Describe the number of Park-and-Ride Lot facilities in the area and discuss the need or demand for the facility in the proposed location.
- Discuss the different connecting options to various alternative transportation services the facility will accommodate for daily long distance commuters. The facility should provide commuters access to transit, shuttles, vanpools and other multi-modal transportation measures.
- Describe the maintenance plan for the Park-and-Ride Lot facility and provide details of additional sources for project funding, if available.

Cost Effectiveness and Emissions Reductions

ARB methodology will be utilized for calculating the cost effectiveness and emission reductions for each project application. These calculations will have a direct impact on the incentive determination for each approved project under this Passenger Subsidy Program.

The maximum acceptable cost effectiveness value for any proposed passenger subsidy or parking facility project is \$20/lb of pollutants (ROG, NOx and PM-10). However, the SJVAPCD encourages all applicants to achieve a cost effectiveness value less than \$10/lb to increase their funding potential. Historically, these projects have achieved an average cost effectiveness below \$6/lb of emission reduction. Therefore, the project design to minimize the cost per pound of pollutants and augmentation of the project efficacy to achieve emissions reduction is highly encouraged.

Methods To Find The Cost Effectiveness Of Funding Air Quality Projects and utilization of the Cost Effectiveness Analysis Tools is available on the ARB's website at: www.arb.ca.gov/planning/tsaq/eval/eval.htm. The ARB requires the SJVAPCD to utilize the most current emission factor tables for the calculation methodology. The SJVAPCD will utilize the ARB 2004 Emission Factor Tables for project calculations. Please refer to the 2004 Emission Factor Tables available at the SJVAPCD web site.

Please note that the SJVAPCD does not fund all projects identified in the calculation methodologies. Contact the ARB Transportation Strategies Group at (916) 445-0098 if you have any questions regarding these methodologies.

Disposition of Applications

The SJVAPCD reserves the right to reject any and all application submissions. The

evaluation of the effectiveness and feasibility for all project applications, as well as the determination for project eligibility will be at the full discretion of the SJVAPCD staff. All document submissions become the property of the SJVAPCD and will not be returned to the applicant. Therefore, funding determination is at the full discretion of the SJVAPCD.

SECTION VII CONTRACT REQUIREMENTS

Those applicants that receive funding must enter into explicit contracts with the SJVAPCD setting forth specific performance criteria to ensure compliance with statute and audit requirements.

Contract preparation will begin immediately upon SJVAPCD approval of an application. All projects will be reimbursed quarterly only after the Passenger Subsidy Program contract is executed, new commuters utilize the passenger subsidies and verified by SJVAPCD staff through the quarterly reporting process.

Prior to receiving any funds, the grantee must provide the SJVAPCD with the following documents:

1. **SJVAPCD Claim(s) for Payment Form** with records of monthly passenger fares and quarterly reports must be provided clarifying new ridership to the system.
2. **Verification of Appropriate Signing Authority** - The signing authority must be the person authorized in the contract as the person who can act on all fiscal matters on behalf of the funded agency or entity.
3. **Verification of All Insurance Requirements Identified in the Contract** - If self-insured, a letter from a risk manager or the like will be acceptable.

The contract will require the applicant to perform adequate record keeping for the SJVAPCD to verify the appropriate use of government funds. It will also include quarterly reporting requirements by the applicant. Contract monitoring will be performed by SJVAPCD staff on a periodic basis. Additionally, the SJVAPCD reserves the right to conduct a fiscal audit to ensure appropriate expenditure of funds.

SECTION VIII MAP OF THE SJVAPCD

